



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE DIRECTOR

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August 24, 2004

Donald R. Sugg
1073 Terry Lane
Harrison, AR 72601

Re: Advisory Opinion # 483-04-12

Dear Mr. Sugg:

This letter is in response to your August 6, 2004 request for an advisory opinion in accordance with §19-11-715(b) of the Arkansas Code Annotated of 1987. Your request for an advisory opinion is based on the following facts:

- a) You are the County Vice President for Finance and Administration for North Arkansas College.
- b) Your wife is interested in buying shares totaling \$15, 000 to \$20,000 in the local bank where the college has its checking and investment accounts.
- c) The dividends of approximately \$1.00 per share per year would total less than \$1,000 per year.
- d) You are seeking an advisory opinion to learn whether such intended investment would cause an ethical conflict.

Arkansas Code Annotated Section 19-11-701(9)(A) and (B) define financial interest as "ownership of any interest or involvement in any relationship for which, or as a result of which, a person within the past year has received or is presently or in the future entitled to receive, more than one thousand dollars (\$1,000) per year, or its equivalent;" and "ownership of more than a five percent (5%) interest in any business". Clearly, neither the anticipated dividend income nor the ownership of 150 to 300 shares of bank stock will reach these minimums for creating a "financial interest". Accordingly, there is no direct conflict and your wife is free to complete the investment.

This advisory opinion is issued in accordance with Arkansas Code Annotated §19-11-715(b) and compliance with the above course of conduct is deemed to constitute compliance with the ethical standards of Act 483 of 1979.

Sincerely,

Richard. A. Weiss
Director

cc: Sandra Jones, Agency Procurement Official